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REMARKS

Claims 1-33 are pending in the above application. Claims 9, 11, 12, 22, 24, 25 and 32 have been cancelled. Claims 1-3, 5, 7-8, 13-16, 18, 20-21 and 28-29 stand rejected under 35 U.S.C. §102 as being anticipated by *Frost* U.S. 5,041,972. In addition, claims 4, 6, 9-12, 17, 19, 22-27 and 32-33 stand rejected under 35 U.S.C. §103 as being obvious in view of *Frost*. Finally, claims 30 and 31 stand rejected under 35 U.S.C. §103 as being obvious in view of *Frost* in combination with *McCarthy et al.*

With regard to the rejections under 35 U.S.C. §102, independent claims 1 and 13 both recite the step of "identifying a competitive set of products, and associating each of said product attributes with a preferred competitive level with respect to the competitive set" which, as noted in the Office Action, is not taught by the *Frost* reference. Claims 1-8, 10, 13-21, 23, 26 and 27 are therefore novel notwithstanding the *Frost* reference. Claim 28, as amended, also requires the step of "providing a cross-functional product team" which, as noted in the Office Action, is not disclosed by the *Frost* reference. Accordingly, claims 28-31 and 33 are therefore novel notwithstanding the *Frost* reference.

The *Frost* reference is directed toward solving the problem of selecting a set of attributes for use in market research which attributes achieve a behavioral variance of greater than 70% and which also provides a high level of discrimination for each consumer interviewed. In all cases, consumers are presented with groups of related items and asked to associate attributes with each item within the group. In the first stage, consumers are requested to identify attributes (rational descriptors and emotional descriptors) which describe each of the items presented in the group. As a result, "usually 1,000 to 2,000" descriptors are generated and later reduced to approximately 100 to 200 descriptors for further use. In the next stage, the remaining descriptors are again presented to consumers along with a group of associated items, and consumers are requested to evaluate the extent or degree to which each descriptor is attributable to

each item presented within the group of items. All descriptors are not presented to each consumer, but rather, only a sufficient number of descriptors to be statistically sound. The descriptors resulting in the greatest degree of behavioral variance (usually between 30 and 50 descriptors) is then presented to consumers in conjunction with groups of items for a third time. The way in which consumers correlate the final set of attributes with each of the functionally related items within the group results in a multi-dimensional matrix of factors based upon the attribute evaluations for each respective item and reference item. These relationships can then be used to discern consumer preferences for certain types of products. For example, the preference for a new product incorporating a given item, or the change in preference for an existing product which is modified by incorporating a different ingredient in the item, can be measured.

The present invention does not take an entire body of all potential attributes or descriptors and apply them to a group of functionally related items. Rather, a specific set of product attributes is generated, classified, and a preferred product brand position is generated as a result. The process also includes identifying competitive products and associating the defined product attributes with respect to the competitive products. The classified product attributes and preferred brand position of the new product are then used to generate target product characteristics to be incorporated into the new vehicle. In this way, the target product characteristics take into account those product attributes which customers consider important and which are considered a competitive necessity, within the framework of the brand position for the new product.

With respect to claim 1, the claim specifically requires identifying a competitive set of products, and associating each of the product attributes with a preferred competitive level with respect to the competitive set, which the *Frost* reference does not teach or suggest. Applicants traverse the suggestion that such a feature would have been obvious in view of *Frost*, as *Frost* is more concerned with the consumer's likely reception or acceptance of a certain product attribute rather than a product's position vis-à-vis its competitors. In the present invention, specific preferred competitor levels

(claims 10 and 23) such as a category leader (L), among the leaders (A), competitively positioned (C), or minimally competitive (M), competitive levels are provided which are neither taught nor suggested by the *Frost* reference. No reason has been shown why one of ordinary skill in the art would modify the *Frost* reference to include such a feature as suggested in the Office Action. This claimed feature of the present invention is not obvious from the prior art itself. Accordingly, for the foregoing reasons, independent claims 1 and 13 and dependent claims 2-8, 10, 14-21, 23 and 26-27 are non-obvious in view of the *Frost* reference.

With respect to claims 2, 3, 14 and 15, summary attributes and clarifying definitions which provide a relationship between each of the product attributes and the type of product under development are nowhere suggested, taught or disclosed in the *Frost* reference. *Frost* only discloses a high level, generic descriptors such as "sporty." In the present invention, it is realized that such generic descriptors can mean different things when applied to different products. Thus, for example, a product attribute such as "comfort" may be described as soft and plush as a detailed definition when presented with respect to a luxury touring vehicle, and "firm and supportive" as a detailed definition with respect to a sports car. No such distinctions are taught or suggested in the *Frost* reference. There is no discussion in *Frost* suggesting putting an attribute in context for an item or group of items or for providing a more detailed definition for the attribute. For this additional reason, Applicants submit that claims 2, 3, 14 and 15 are novel and non-obvious in view of the *Frost* reference.

With respect to claims 7 and 20, Applicants do not understand how the *Frost* citation with respect to these claims discloses or suggests a step of generating a primary brand position for the new product as a function of the product attributes. The citation at column 3 merely refers to the 1,000 to 2,000 descriptors resulting from requesting consumers to identify all rational and emotional descriptors with respect to a group of items. Similarly, the citation at column 8 merely refers to the final set of attributes which are chosen to have the highest level of behavioral variance. In contrast, brand

positioning within the context of the present invention refers to weighting or selecting certain attributes which are more closely related with a desirable product image, than other attributes. For example, "braking" and "acceleration" may be more important attributes for a brand seeking a "sporty" image than a brand seeking a "luxury" or "comfort" image. For this additional reason, Applicants submit that claims 7 and 20 are novel and non-obvious in view of the *Frost* reference.

With respect to claims 4, 6, 17 and 19, Applicants submit that there is no suggestion or motivation to modify the *Frost* reference as suggested in the Office Action to include Applicants' claimed step of placing each attribute in one of three classes wherein the first class represents attributes differentiating the product from competing products, the second class represents important attributes, but not necessarily differentiators, and the third class represents otherwise desirable product attributes. As noted above, the *Frost* reference has limited, if any, discussion regarding competitive analysis. No ranking of the attributes vis-à-vis competitive products is disclosed or suggested by the *Frost* reference. Applicants submit that the subject matter of claims 4, 6, 17 and 19 is not obvious from the prior art itself, and that claims 4, 6, 17 and 19 are non-obvious in view of the *Frost* reference in view of the lack of motivation to modify *Frost* as suggested.

Claims 10 and 23 are non-obvious for the same reasons cited with respect to claims 1 and 3. In particular, the specific preferred competitive levels (L, A, C, M) are nowhere suggested or disclosed in *Frost*.

With respect to claims 6 and 19, Applicants traverse the suggestion that it would have been obvious to one of skill in the art to have the ranking of the attributes be related to the classification of the attributes. The *Frost* reference merely discloses a group of attributes which are compared to groups of items. The attributes of *Frost* are not classified as in the present invention, and thus cannot be ranked as claimed in the present invention either. No reason has been shown why one of ordinary skill in the art would modify the *Frost* reference as suggested in the Office Action in view of the lack of

motivation to do so. Applicants therefore submit that claims 6 and 19 are non-obvious in view of the *Frost* reference.

With respect to claims 26 and 27, *Frost* does not suggest or disclose a different scale for any of the attributes presented. Rather, consumers are free to weigh the attributes as they see fit on the given scale with respect to each item within the group of items presented. There is no teaching or suggestion for the claimed steps of Applicants' invention as set forth in claims 26 and 27. For this additional reason, Applicants submit that claims 26 and 27 are non-obvious in view of the *Frost* reference.

With respect to claims 28-31 and 33, the *Frost* reference only discloses consumer ranking of attributes. No mention or suggestion of a cross-functional product team generating a vehicle brand position and target vehicle objectives is in the *Frost* reference. The focus of the *Frost* reference is simply the consumer's reaction to an attribute presented with a corresponding group of items. In contrast, the brand position for the new vehicle is generated by the corporate cross-functional product team. The brand position dictates the attributes of concern and may also provide the weight accorded each attribute. Nothing like this is discussed in the *Frost* reference. For this reason, Applicants submit that claims 28-31 and 33 are novel and non-obvious in view of the *Frost* reference.

With respect to claim 29, no mention is made in *Frost* of brand positioning or a brand positioning summary as claimed in the present invention. For this additional reason, Applicants submit that claims 29 and 30 (which depend from claim 29) are non-obvious in view of the *Frost* reference.

With respect to claims 30 and 31, Applicants note that the *McCarthy* reference relied upon therein has not been provided in the Office Action and no copy was provided by the Patent Office. The reference appears to be a non-patent publication. Nevertheless, Applicants submit that the teachings of *McCarthy* (which are assumed to be accurate for purposes of this Response) would not be incorporated into the method

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of *Frost* for several reasons. Claims 30 and 31 concern brand positioning which the *Frost* reference does not disclose or suggest. A brand is defined by a weighted subset of attributes. *Frost* is only concerned with using those attributes having the highest level of behavioral variance such that conclusions can be drawn regarding consumer preferences. None of the specific brand positioning attributes claimed in claim 30, or a method of conveying consumer preferences in the form of a brand bull's-eye as in claim 31, is suggested by *Frost*. Indeed, an important aspect of *Frost* is the multi-dimensional matrix of factors and Euclidean distances therebetween for expressing consumer preferences for the item or reference items. The representations of *Frost* are not associated with brand identity. Accordingly, there is no motivation to modify *Frost* to include brand identity or management as claimed.

In view of the foregoing amendments and remarks, Applicants submit that claims 1-8, 10, 13-21, 23, 26-31, and 33 are allowable. The Examiner is invited to telephone the Applicants' undersigned attorney, Robert P. Renke at (248) 223-9500 if any unresolved matters remain.

Respectfully Submitted,

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Dated: May 28, 2002

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VERSION WITH MARKINGS TO SHOW CHANGES MADE**In The Claims:**

Please cancel claims 9, 11, 12, 22, 24, 25 and 32.

Please amend claims 1, 10, 13, 23, 28 and 33 as follows:

1. (Amended) A method of developing product characteristics for a new product comprising the steps of:

generating a plurality of product attributes;

classifying each of said attributes;

generating a preferred product brand position as a function of said product attributes identifying a competitive set of products, and associating each of said product attributes with a preferred competitive level with respect to said competitive set; and

generating target product characteristics as a function of said classified product attributes and said preferred product brand position, said target product characteristics representing customer-driven objectives for each of said plurality of product attributes to be incorporated into said new product.

10. (Amended) A method as recited in claim [9] 1 wherein the step of associating each of said product attributes with a preferred competitive level with respect to said competitive set includes the step of prioritizing each product attribute in one of four levels, said first level representing a desire for the product attribute to be a leader

(L) with respect to the competitive set, said second level representing a desire for the product attribute to be among the leaders (A) with respect to the competitive set, said third level representing a desire for the product attribute to be competitive (C) with respect to the competitive set, and said fourth level representing a desire for the product attribute to be minimally competitive (M) with respect to the competitive set.

13. (Amended) A method of developing product characteristics for a new automotive vehicle comprising the steps of:

generating a plurality of vehicle attributes, said plurality including at least attributes from each of the following groups of vehicle characteristics: usage experience, driving experience, and design;

generating a preferred vehicle brand position as a function of said vehicle attributes including identifying a competitive set of products, and associating each of said vehicle attributes with a preferred competitive level with respect to said competitive set; and

generating target vehicle characteristics as a function of said vehicle attributes and said preferred vehicle brand position, said target vehicle characteristics representing customer-driven objectives for each of said plurality of vehicle attributes to be incorporated into said new automotive vehicle.

23. (Amended) A method as recited in claim [22] 13 wherein the step of associating each of said vehicle attributes with a preferred competitive level with respect to said competitive set includes the step of prioritizing each vehicle attribute in one of four levels, said first level representing a desire for the vehicle attribute to be a leader (L) with respect to the competitive set, said second level representing a desire for the vehicle attribute to be among the leaders (A) with respect to the competitive set, said third level representing a desire for the vehicle attribute to be competitive (C) with respect to the competitive set, and said fourth level representing a desire for the vehicle attribute to be minimally competitive (M) with respect to the competitive set.

28. (Amended) A method of developing product characteristics for a new automotive vehicle comprising the steps of:

generating a plurality of vehicle attributes, said plurality including at least attributes from each of the following groups of vehicle characteristics: usage experience, driving experience, and design;

providing a cross-functional product team;

providing target customer characteristics;

providing target vehicle image characteristics;
thereafter

generating a preferred vehicle brand position by said cross-functional product team as a function of said vehicle

attributes, said target customer characteristics, and said target vehicle image characteristics; and

generating target vehicle objectives by said cross-functional product team as a function of said vehicle attributes and said preferred vehicle brand position, said target vehicle objectives representing customer-driven and image-driven characteristics for each of said plurality of vehicle attributes to be incorporated into said new automotive vehicle.

33. (Amended) A method as recited in claim [32] 28 wherein said cross-functional product team includes at least one member from each of the following corporate departments: vehicle program management, marketing, purchasing, finance, engineering, and design.